
Employment Security Department

Agency: 540

Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-58

Finding: The Employment Security Department (ESD) did not comply with federal requirements for payroll time and effort reporting for the Unemployment Insurance program.

Resolution/Status: The six employees whose salaries were questioned in this audit finding have been counseled as to proper time reporting practices. The Department continues to emphasize the importance of federal time reporting requirements to all staff and to work with the U.S. Department of Labor on resolving the questioned costs related to this finding. The Department has implemented proper time reporting practices and this finding was not repeated by the State Auditor's Office. The Department estimates that resolution of questioned costs will take place with the federal grantor in February 2005.

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Employment Security Department

Agency: 540

Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-03

Finding: The Employment Security Department (ESD) paid unemployment insurance benefits to claimants who were not eligible and made payments to claimants during their first week of unemployment, which is prohibited by state law.

Resolution/Status: In response to this audit finding, ESD has/will take the following corrective action:

- ## Has implemented a cross-match of unemployment insurance benefit claimants against the Social Security Administration to identify invalid social security numbers, including those of deceased persons.
- ## Has established accounts receivable on overpayments and initiated collection action as appropriate.
- ## Will continue to conduct work search monitoring for all claimants to ensure their availability and continued eligibility for UI benefits.
- ## Will continue to work with the Department of Labor and Industries to identify and prevent individuals from receiving UI payments while receiving time loss payments.
- ## Will continue to devote investigative resources to the areas determined to be most cost-beneficial.
- ## Will revise internal systems to prevent payments to claimants for weeks in which they were not entitled.

ESD will continue to work with the U.S. Department of Labor to resolve this finding and estimates corrective action will be completed in February 2005.

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Audit Report: 2003 Statewide Accountability Report

Finding Number: 03-59

Finding: The Employment Security Department (ESD) did not comply with federal requirements for payroll time and effort reporting for the Workforce Investment Act program.

Resolution/Status: This finding relates to a compliance issue that occurred in Fiscal Year 2001.

The two agency staff whose salaries were questioned in this audit finding had been counseled as to proper time reporting practices. Time charges for both employees were included in testing of this program by the State Auditor's Office for Fiscal Year 2003. No exceptions were found. ESD continues to work with the U.S. Department of Labor on resolving the questioned costs and estimates corrective action will be completed in February 2005.

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